

SOUTH DAKOTA
DEPARTMENT of ENVIRONMENT & NATURAL
RESOURCES (DENR)
FY 2018 BUDGET REQUEST

presented to the
JOINT APPROPRIATIONS COMMITTEE

January 17, 2017

DENR - Your One-Stop Environmental Shop in South Dakota



DENR MAKES A DIFFERENCE BY:

- **Protecting public health and the environment**
- **Maintaining a business-friendly climate**
- **Treating everyone as our customer**

**SB 143 - LEGISLATIVE PERFORMANCE
MANAGEMENT REVIEW**

of the

**DEPARTMENT of ENVIRONMENT and
NATURAL RESOURCES (DENR)**

DENR's Vision: "Protecting the Environment and Natural Resources in South Dakota for Tomorrow...Today"

<u>Outcomes</u>	<u>Background Statement</u>	<u>How to Measure Success</u> Goals yellow highlighted	<u>Dashboard for 2014-2015</u> Performance yellow highlighted
1. Public Health Protected 	DENR regulates two substances that have direct impacts on public health because everyone takes them into their body every day – the water we drink and the air we breathe.	No public health outbreaks caused by poor drinking water or air quality 	2014 Public Health Outbreaks Number due to drinking water..... 0 Number due to air quality..... 0 2015 Public Health Outbreaks Number due to drinking water..... 0 Number due to air quality..... 0
2. Air and Water Quality Protected 	DENR establishes air and surface water quality standards that must meet federal criteria and be approved by EPA, and then operates air and water quality monitoring networks to collect samples that verify whether the standards are being met or not.	100% of the state meets national air quality standards and DENR completes the biennial Integrated Water Quality Report which uses EPA methodology to compare all water quality data collected in the state against water quality standards and filed every two years with EPA	2014 Air and Water Quality Metrics Air quality in attainment..... 100% Integrated Report filed..... 03/27/2014 *Lake acreage supporting uses..... 44% *Stream miles supporting uses..... 30% 2016 Air and Water Quality Metrics Air quality in attainment..... 100% Integrated Report filed..... 08/25/2016 *Lake acreage supporting uses..... 19% *Stream miles supporting uses..... 21% *due to ever more stringent standards
3. Pollution Prevention 	It is better to be proactive and prevent pollution than to have to be reactive and clean it up or seek other remedies. 	100% of the federal EPA 319 money is obligated each year to prevent nonpoint source water pollution in watershed projects and 100% of old abandoned underground tanks are pulled to prevent groundwater pollution	2014 Pollution Prevention Metrics EPA 319 money obligated..... \$1,887,000 EPA 319 money obligated..... 100% Abandoned tanks reported..... 121 Abandoned tanks pulled..... 100% 2015 Pollution Prevention Metrics EPA 319 money obligated..... \$1,887,000 EPA 319 money obligated..... 100% Abandoned tanks reported..... 80 Abandoned tanks pulled..... 100%
4. Mined Lands and Spills Cleaned Up 	Lands disturbed by mining activities and spills can pose public health hazards and be sources of pollution to the air, land, and water. 	90% of reclamation liabilities are released for reclaimed mines and 90% of all cumulative spills are cleaned up and closed out with no further action needed	2014 Cleanup Metrics Mine sites reclaimed..... 100 Reclamation liability released..... 100% Spills reported in 2014..... 315 Cumulative spills closed out..... 96% 2015 Cleanup Metrics Mine sites reclaimed..... 72 Reclamation liability released..... 100% Spills reported in 2015..... 268 Cumulative spills closed out..... 96%
5. Adequate and Affordable Publicly Owned Environmental Infrastructure  	Adequate and affordable publicly owned environmental infrastructure – drinking water, wastewater, and waste disposal systems – is critical to protecting public health and the environment plus it lays a solid foundation for future economic growth. But many systems in South Dakota have small customer bases and cannot pay for upgrades even with household water and sewer rates in the \$45 to \$50 per month range for community systems and \$100 to \$120 per month range for rural or regional systems, so they need financial assistance.	90% of State Water Plan project applications are funded using grants and low interest loans from the state Water and Environment Fund and EPA State Revolving Fund financial assistance programs to provide environmental infrastructure upgrades and expansions 	2014 Infrastructure Awards State Consolidated..... \$11,860,000 State Water Resource..... \$5,300,000 State Solid Waste..... \$1,200,000 EPA Revolving Loans..... \$56,630,000 Small Community Plan..... \$112,000 Water Quality Grants..... \$1,420,000 Total dollars awarded..... \$76,522,000 Project applications funded..... 61/100% 2015 Infrastructure Awards State Consolidated..... \$19,800,000 State Water Resource..... \$7,000,000 State Solid Waste..... \$3,330,000 EPA Revolving Loans..... \$84,600,000 Small Community Plan..... \$166,000 Water Quality Grants..... \$1,050,000 Total dollars awarded..... \$115,946,000 Project applications funded..... 55/100%
6. Environmental and Business Friendly Climates Maintained 	To operate in South Dakota and be a good neighbor, businesses need to know the rules; environmental permits are the roadmaps to state requirements for protecting public health and the environment. 	100% of contested environmental permits are upheld by the appropriate permit issuing authority, state board, or court which confirms that DENR has drafted the permits to be technically correct and legally defensible 	2014 Permits Issued by DENR Air Quality permits..... 81 Ground Water Discharge..... 6 Mine permits..... 2 Oil and Gas Board Orders..... 44 Surface Water Discharge permits..... 45 Underground Injection Control..... 3 Waste Management permits..... 44 Water Right permits..... 209 Total..... 434 Contested permits..... 19 or 4% Contested permits upheld..... 100% 2015 Permits Issued by DENR Air Quality permits..... 101 Ground Water Discharge..... 5 Mine permits..... 1 Oil and Gas Board Orders..... 7 Surface Water Discharge permits..... 46 Underground Injection Control..... 3 Waste Management permits..... 26 Water Right permits..... 125 Total..... 314 Contested permits..... 25 or 8% Contested permits upheld..... 100%

Three Wins for Public Health and the Environment During 2016

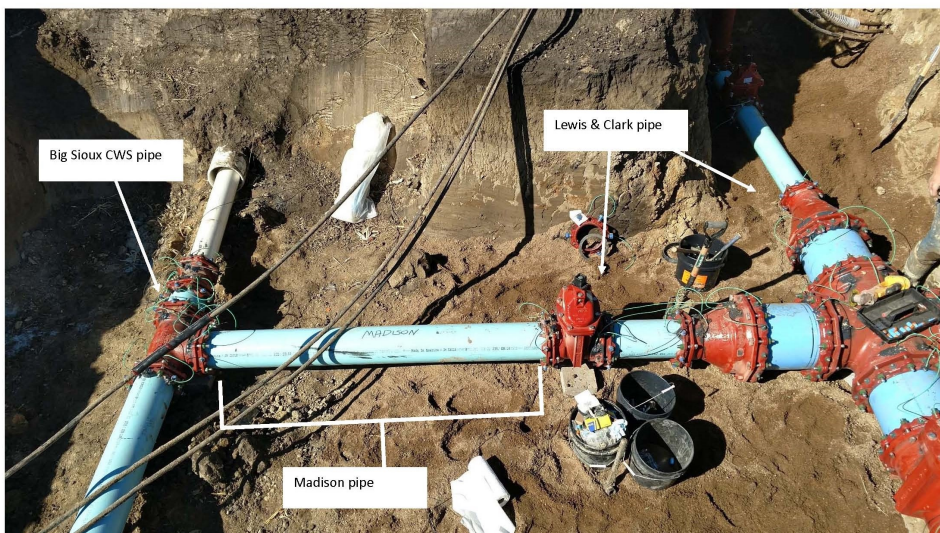
1. DRINKING WATER — Getting the City of Madison, which is the only South Dakota member of the Lewis & Clark Regional Water System not yet hooked up, a new reliable source of high quality drinking water before the 2017 Session ends. The innovative “wheeling” option which interconnects the Minnehaha Community Water, Big Sioux Community Water, and Madison systems saved South Dakota more than \$17 million in “federal funds advances” to Lewis & Clark.



Constructing Lewis & Clark's Segment 5 line to Madison



Lewis and Clark's 14" pipeline coming into Madison with their meter building at left.



“Wheeling” tie in between Big Sioux Community Water System, city of Madison, and Lewis and Clark Regional Water System.

Three Wins for Public Health and the Environment During 2016

2. PIPELINES — In light of all the controversy surrounding the Dakota Access Pipeline, it is worth noting that TransCanada had a leak, but then did what they said they would do by following their emergency response plan that had been pre-filed with DENR in accordance with state law until the spill site was cleaned up and closed out on September 16, 2016.



Photo 1 – looking southeast – shows the eastside excavation area including the repaired road, the re-seeded ditch and the excavation area.



Photo 2 – looking southwest – shows the west side excavation area including the repaired road, the re-seeded ditch, and the excavation area.

Three Wins for Public Health and the Environment During 2016

3. WASTE TIRE CLEANUPS — To help control Zika and other mosquito vectors, DENR used \$420,000 of dedicated solid waste fees to work with the Brookings, Mitchell, Sioux Falls, Southern Missouri, Tri-County, and Vermillion regional landfills to collect and dispose of more than 2,900 tons of waste tires that can collect water and serve as ideal breeding areas for Zika-carrying mosquitos.



Tire pile at Vermillion Regional Landfill

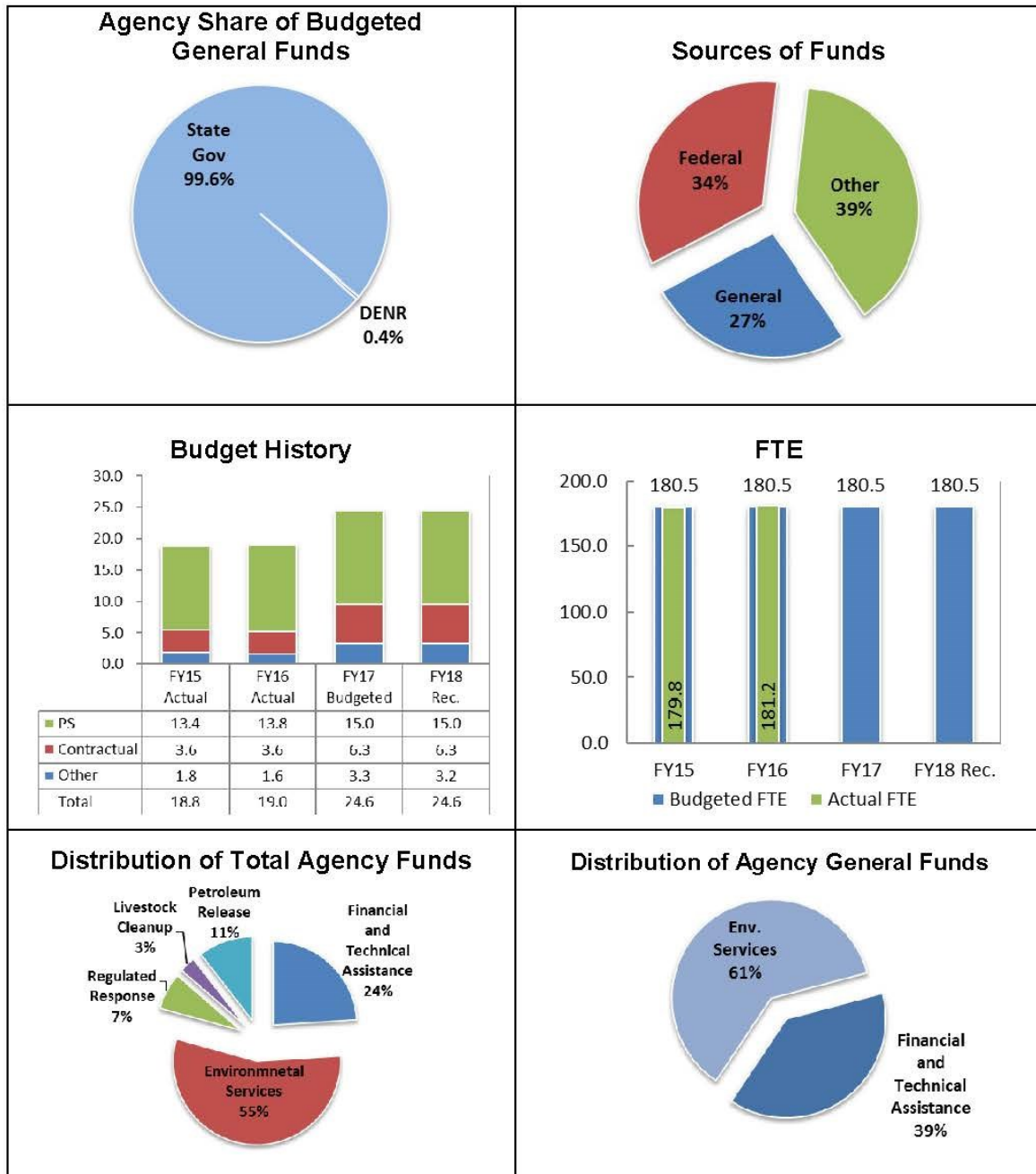


**143 tons of waste tires at
Southern Missouri Regional Landfill**

FY18 Budget Briefing

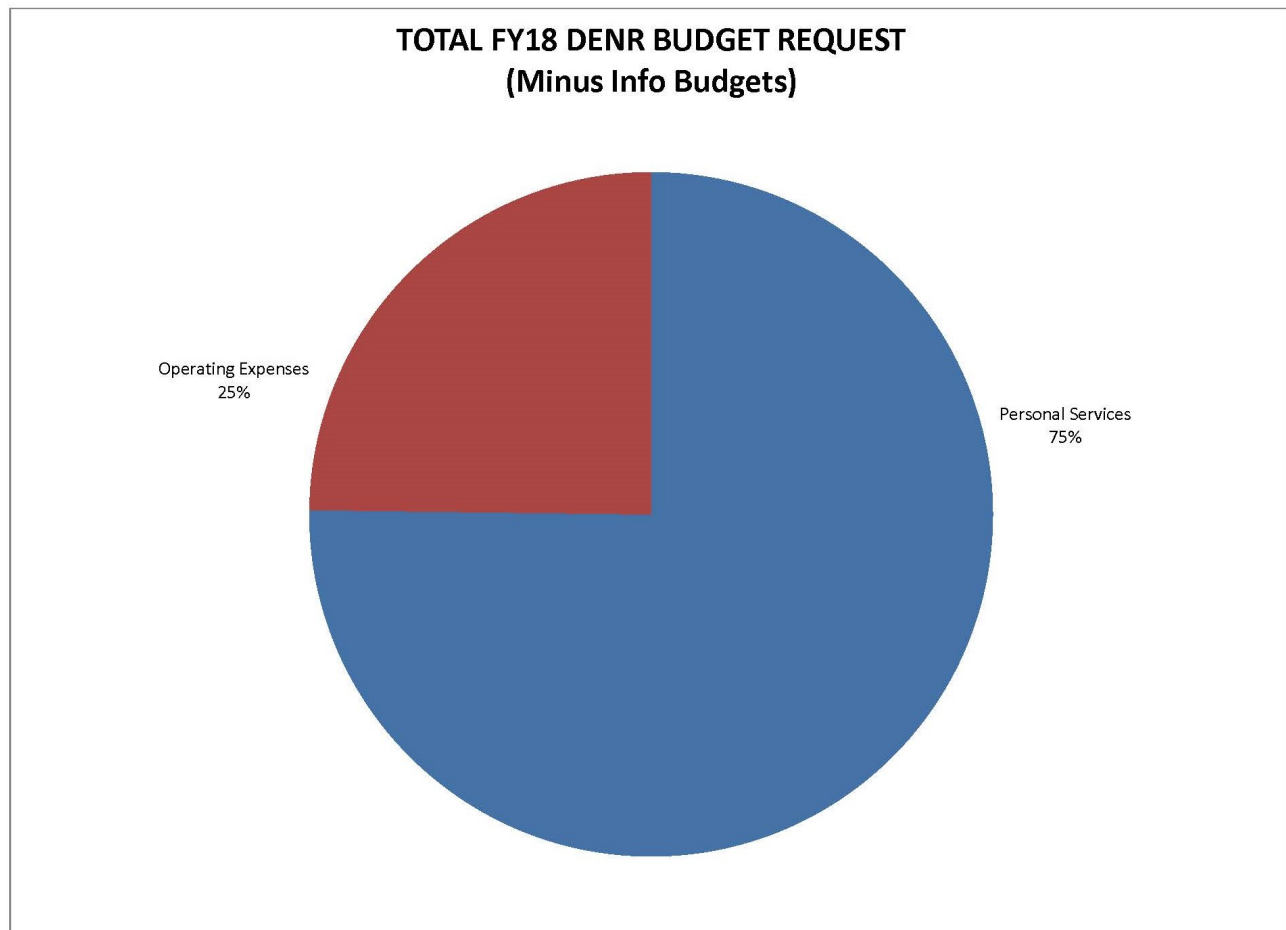
Department of Environment and Natural Resources

Information contained in this document is based on the Governor's original recommended FY18 budget.
This document may not correspond with the final FY18 budget adopted by the Legislature.



DENR's FY 2018 BUDGET REQUEST

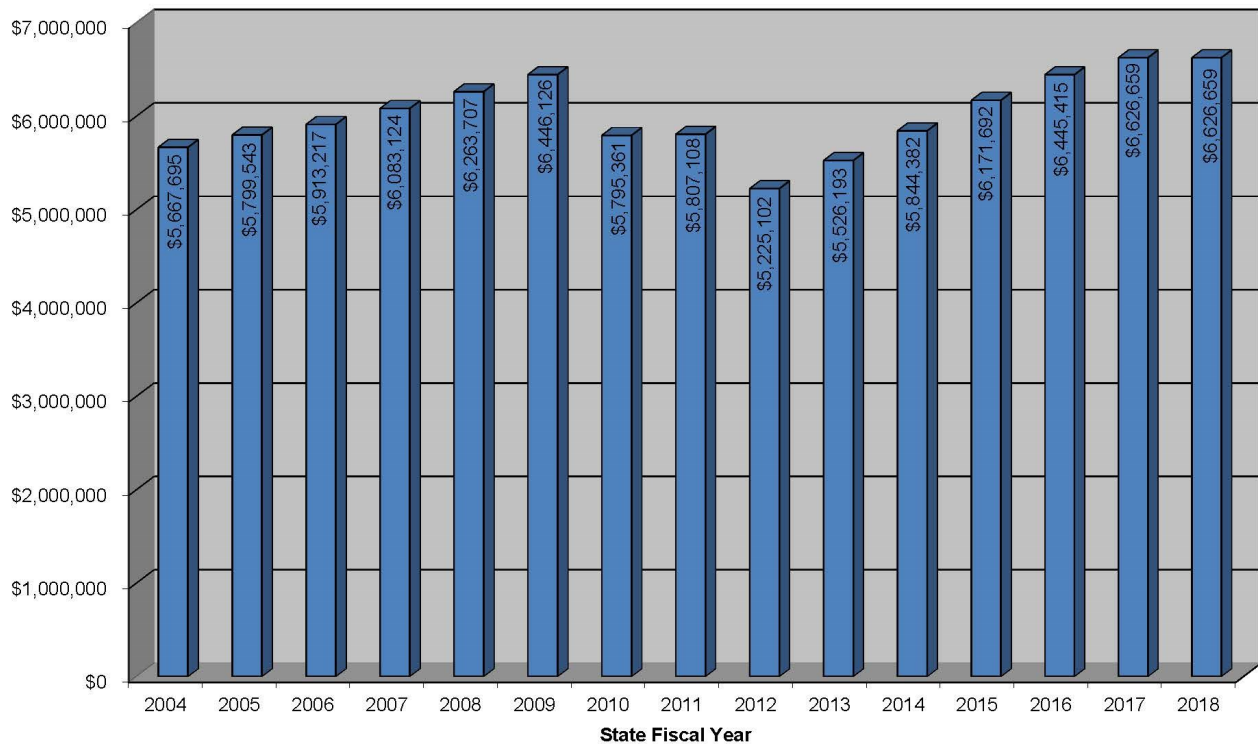
- **Status Quo Budget Request except for a flip of \$162,000 from federal to other**
 - a. **DENR is requesting NO expansion in FTEs**
 - b. **DENR is requesting NO expansion in personal services**
 - c. **DENR is requesting NO expansion in operating expenses**



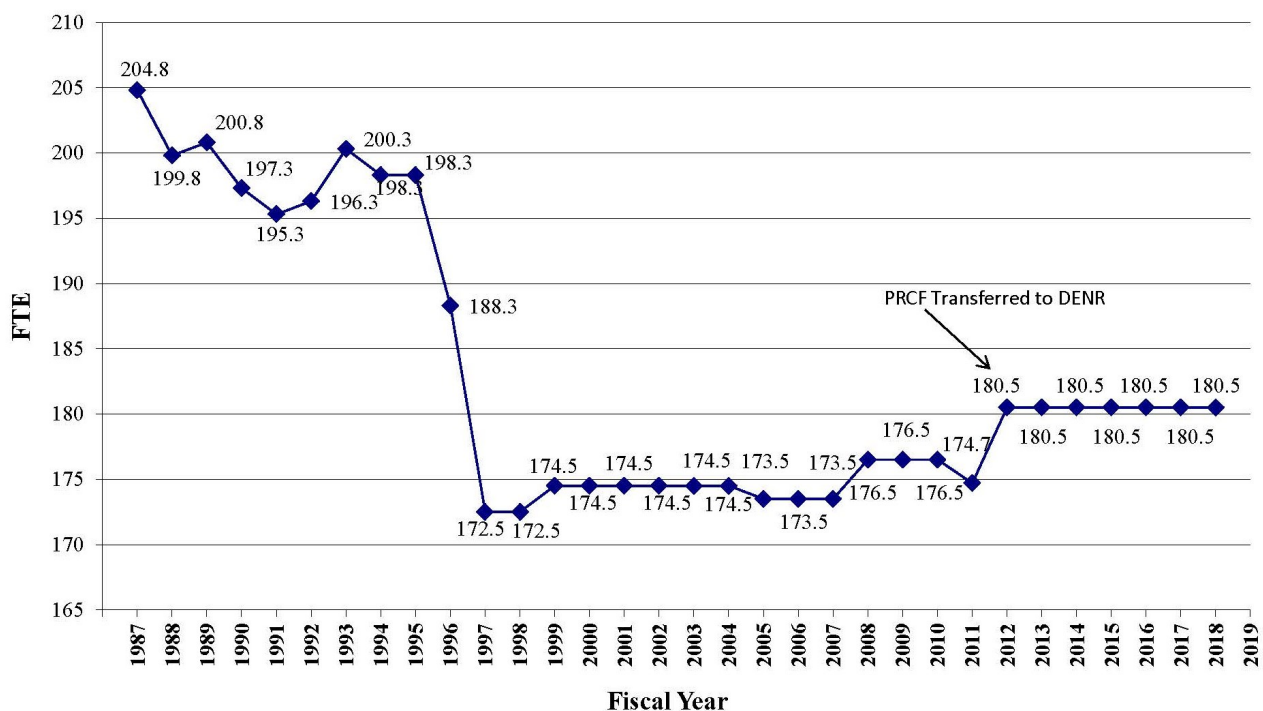
- **DENR will continue to manage its existing resources to get the job done**

DENR's Budget: "A History of Getting the Job Done with No Increases other than Salary Policy"

**DENR General Fund
Budget History**



DENR BUDGETED FTE HISTORY





Details of DENR Turnover:

“3.9% in FY15; 5.1% in FY16; and the Future”

Calendar Year 2015 — DENR lost 7 employees; 3 to retirement

No.	Name	Classification	Years	Left For	Date
1	April Soukup	Engineer I	1	Work for Clark Engineering in SD	Jan 2015
2	Larry Headrick	Env. Scientist II	20	Retired	Jan 2015
3	Dustin Witt	Engineer II	8	Work for SD DOT	Mar 2015
4	Doug Baldwin	Engineer II	8	Work for Ellsworth Air Base	April 2015
5	Jodi Cloud	Senior Secretary	4	Work for SD Dept. of Revenue	June 2015
6	Kay Miller	Senior Secretary	47	Retired	June 2015
7	Elayne Lande	Grant Specialist I	29	Retired	June 2015

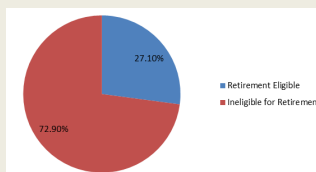
Calendar Year 2016 — DENR lost 14 employees; 6 to retirement

No.	Name	Classification	Years	Left For	Date
1	Joe Nadenicek	Senior Staff Attorney	33	Retired	Jan 2016
2	John Conklin	Engineer I	2	Work for Spokane Air Quality	Feb 2016
3	Bracken Capen	Engineer I	2	Work for Aspen Engineers in WA	Feb 2016
4	Claire Peschong	Engineer II	5	Work for SD DOT	May 2016
5	Joe Stonesifer	Engineer II	7	Work for City of Sioux Falls	May 2016
6	Linda Harris	Env. Scientist II	28	Retired	June 2016
7	Darold Krein	Engineer III	9	Retired	June 2016
8	Patty Krein	Senior Secretary	8	Retired	June 2016
9	Vicki Hanson	Senior Secretary	31	Retired	June 2016
10	Will Marcouiller	Engineer II	3	Work for SD DOT	June 2016
11	Jeffery Allen	Env. Scientist I	3	Work for Granite Food in MN	Aug 2016
12	Bill Markley	Engineering Manager III	40	Retired	Sept 2016
13	Kelsey Holbrook	Engineer I	2	Followed boyfriend to WA	Sept 2016
14	Derek Lankford	Grant/Loan Specialist I	1	Work for SDSU	Dec 2016

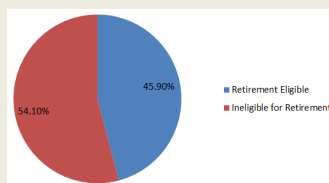
SNAPSHOT of PROJECTED FUTURE DENR TURNOVER

prepared by the Bureau of Human Resources on 1/10/17

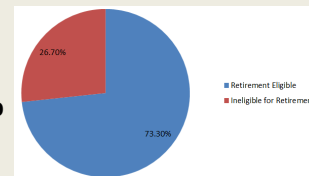
Eligible for retirement today - 27%



Eligible for retirement in 5 years - 46%



DENR's Management Team Eligible for retirement today - 73%



Key Personnel

- Steve Pirner, Secretary
- James Feeney, Director, Financial and Technical Assistance
- Tim Tollefsrud, Director, Environmental Services
- Rob Green, Finance Officer

Mission of the Department of Environment and Natural Resources

The mission of the Department of Environment and Natural Resources is to protect public health and the environment by providing environmental monitoring and natural resource assessment, technical and financial assistance for environmental projects, and environmental regulatory services; all done with reduced red tape, expanded e-government functions, and exceptional customer service to promote a prosperous economy while protecting South Dakota's environment and natural resources for today and tomorrow.

LEGAL CITATION: The Department of Environment and Natural Resources came into existence under its present name by virtue of Executive Order 91-4, codified at SDCL 1-40.

Budget Request

20 DENR

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY PROGRAM					
Financial and Technical Assistance	5,316,436	5,903,285	5,903,285	5,903,285	0
Environmental Services	12,308,853	13,570,933	13,570,933	13,570,933	0
Regulated Response Fund - Info	220,612	1,750,002	1,750,002	1,750,002	0
Livestock Cleanup Fund - Info	0	765,000	765,000	765,000	0
Petroleum Release Compensation	435,374	483,647	483,647	483,647	0
Petroleum Release Compensation - Info	692,575	2,100,000	2,100,000	2,100,000	0
Total:	18,973,849	24,572,867	24,572,867	24,572,867	0
BY FUND CATEGORY					
General	6,460,060	6,626,659	6,626,659	6,626,659	0
Federal	7,599,185	8,495,257	8,333,257	8,333,257	(162,000)
Other	4,914,603	9,450,951	9,612,951	9,612,951	162,000
Total:	18,973,849	24,572,867	24,572,867	24,572,867	0
BY OBJECT EXPENDITURE					
Personnel Costs	13,812,315	15,015,647	15,015,647	15,015,647	0
Operating Expenditures	5,161,534	9,557,220	9,557,220	9,557,220	0
Total:	18,973,849	24,572,867	24,572,867	24,572,867	0
Full-Time Equivalents (FTE)	181.2	180.5	180.5	180.5	0.0

Department Request and Governor's Recommendation Summary

20 DENR

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	180.5	6,445,415	24,084,654	180.5	6,445,415	24,084,654
Pool Distributions/Transfers	0.0	181,244	488,213	0.0	181,244	488,213
FY 2017 Estm. Expenditures	180.5	6,626,659	24,572,867	180.5	6,626,659	24,572,867
FY 2018 Base	180.5	6,626,659	24,572,867	180.5	6,626,659	24,572,867
Personal Services Fund Shift	0.0	0	0	0.0	0	0
FY 2018 Program Maintenance (MCO)	180.5	6,626,659	24,572,867	180.5	6,626,659	24,572,867
FY 2018 Total	180.5	6,626,659	24,572,867	180.5	6,626,659	24,572,867
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

20 DENR

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	180.5	6,445,415	8,302,621	9,336,618	24,084,654
Pool Distributions/Transfers	0.0	181,244	192,636	114,333	488,213
FY 2017 Estm. Expenditures	180.5	6,626,659	8,495,257	9,450,951	24,572,867

FY 2018 Base					
Agency Request	180.5	6,626,659	8,495,257	9,450,951	24,572,867
Governor's Rec.	180.5	6,626,659	8,495,257	9,450,951	24,572,867

Personal Services Fund Shift					
Agency Request	0.0	0	(162,000)	162,000	0
Governor's Rec.	0.0	0	(162,000)	162,000	0

FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	180.5	6,626,659	8,333,257	9,612,951	24,572,867
Governor's Rec.	180.5	6,626,659	8,333,257	9,612,951	24,572,867

FY 2018 Total					
Agency Request	180.5	6,626,659	8,333,257	9,612,951	24,572,867
Governor's Rec.	180.5	6,626,659	8,333,257	9,612,951	24,572,867

Agency Request					
Change from Original Approp.	0.0	0	(162,000)	162,000	0
% Change from Original Approp.	0.0%	0.0%	(1.9%)	1.7%	0.0%

Governor's Recommendation					
Change. from Original Approp.	0.0	0	(162,000)	162,000	0
% Change from Original Approp.	0.0%	0.0%	(1.9%)	1.7%	0.0%

Jason Simmons
Legislative Research Council

DENR – Page 3

January 4, 2017
Draft FY18 DENR Analysis

Department Object Detail

Item	Actual FY2015	Actual FY2016	Budgeted FY2017	Gov. Rec FY2018	Inc/Dec FY2017	% Change FY2017
PERSONAL SERVICES						
General	5,263,972	5,342,668	5,672,607	5,672,607	0	0.0%
Federal	5,246,051	5,392,151	5,744,410	5,582,410	(162,000)	(2.8%)
Other Funds	2,936,013	3,077,496	3,598,630	3,760,630	162,000	4.5%
Total Personal Services	13,446,036	13,812,315	15,015,647	15,015,647	0	0.0%
FTE	179.8	181.2	180.5	180.5	0.0	0.0%
TRAVEL						
General	309,651	287,265	199,261	199,261	0	0.0%
Federal	204,673	186,577	273,597	273,597	0	0.0%
Other Funds	105,748	106,511	159,664	159,664	0	0.0%
Total Travel	620,072	580,353	632,522	632,522	0	0.0%
CONTRACTUAL SERVICES						
General	843,849	709,481	650,999	650,999	0	0.0%
Federal	1,554,650	1,520,070	1,838,446	1,838,446	0	0.0%
Other Funds	1,200,316	1,365,859	3,830,592	3,830,592	0	0.0%
Total Contractual Services	3,598,815	3,595,409	6,320,037	6,320,037	0	0.0%
SUPPLIES AND MATERIALS						
General	87,489	116,167	80,681	80,681	0	0.0%
Federal	75,463	84,741	118,915	118,915	0	0.0%
Other Funds	28,475	31,389	94,542	94,542	0	0.0%
Total Supplies and Materials	191,427	232,297	294,138	294,138	0	0.0%
GRANTS AND SUBSIDIES						
General	6,735	0	0	0	0	0.0%
Federal	567,963	355,826	356,880	356,880	0	0.0%
Other Funds	289,668	310,421	1,691,500	1,691,500	0	0.0%
Total Grants and Subsidies	864,366	666,247	2,048,380	2,048,380	0	0.0%
CAPITAL OUTLAY						
General	9,996	4,480	23,111	23,111	0	0.0%
Federal	91,724	59,820	163,009	163,009	0	0.0%
Other Funds	17,260	22,928	76,023	76,023	0	0.0%
Total Capital Outlay	118,980	87,228	262,143	262,143	0	0.0%
OTHER						
General	0		0	0	0	0.0%
Federal	0		0	0	0	0.0%
Other Funds	0		0	0	0	0.0%
Total Other	0	0	0	0	0	0.0%
TOTAL						
General	6,521,692	6,460,060	6,626,659	6,626,659	0	0.0%
Federal	7,740,524	7,599,185	8,495,257	8,333,257	(162,000)	(1.9%)
Other Funds	4,577,480	4,914,603	9,450,951	9,612,951	162,000	1.7%
Total All Funds	18,839,696	18,973,849	24,572,867	24,572,867	0	0.0%

FY2018 DENR Funding Sources

ENVIRONMENT & NAT. RESOURCES FEDERAL (With Required State Fund Match)

106 SUPPLEMENTAL MONITORING IN	420,344
319 IMPLEMENTATION	1,076,957
AMBIENT AIR MONITORING	244,999
BROWNSFIELD	400,000
DRINKING WATER SRF	754,000
INDIRECT COSTS	644,998
LUST TRUST	508,125
OTHER FEDERAL GRANTS (DENR)	464,001
PERFORMANCE PARTNERSHIP GRANT	3,538,472
REIMBURSEMENT OF TECHNICAL SER	103,001
STATE REVOLVING FUNDS (SRF) CA	380,000
SUPERFUND MULTISITE AGREEMENT	105,000
UNDERGROUND STORAGE TANKS	426,666
WATER QUALITY MANAGEMENT 604B	19,999

DENR-OTHER FUNDS, NON-PARTICIPATING

DENR-OTHER FUNDS, NON-PARTICIPATING	226,912
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DENR-OTHER FUNDS, PARTICIPATING

ENVIRONMENTAL LIVESTOCK CLEANU	765,000
REGULATED SUBSTANCE RESPONSE F	1,750,002

ENVIRONMENT & NAT. RESOURCES FEE FUND

ENVIRONMENT & NAT. RESOURCES FEE FUND	4,125,390
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PETROLEUM RELEASE COMPENSATION

PETROLEUM RELEASE COMPENSATION	2,583,647
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STATE GENERAL FUND

STATE GENERAL FUND	6,035,354
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Total General, Federal and Other Funds	24,572,867
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DENR Other Fund Balances

Company and Fund Name	Blue Book Page	Ending Cash and Investment Balance on June 30				
		FY2012	FY2013	FY2014	FY2015	FY2016
Co 3036 - Petroleum Release Compensation Fund	255	\$ 3,782,551	\$ 5,413,466	\$ 4,033,415	\$ 4,749,291	\$ 2,054,582
Co 3072 - Environment and Natural Resources Fee Fund	256	\$ 1,920,497	\$ 2,735,713	\$ 2,417,426	\$ 2,081,931	\$ 1,496,868
Co 3073 - Water and Environment Fund	258	\$ 41,494,847	\$ 47,384,949	\$ 49,691,903	\$ 50,430,100	\$ 50,128,006
Co 3074 - Board of Certification Fund	260	\$ 25,947	\$ 17,018	\$ 2,818	\$ 88	\$ 6,249
Co 3074 - Other Activities	259	\$ 168,813	\$ (133,174)	\$ (78,130)	\$ (56,790)	\$ (53,610)
Co 3075 - Environmental Livestock Cleanup Fund	262	\$ 1,167,480	\$ 1,205,100	\$ 1,250,298	\$ 1,293,282	\$ 1,329,525
Co 3075 - Hazardous Waste Revolving Fund	263	\$ 82,629	\$ 13,603	\$ -	\$ 15,924	\$ -
Co 3075 - Reclamation Fund	264	\$ 7,671,217	\$ 16,288,997	\$ 16,508,125	\$ 16,665,077	\$ 16,851,130
Co 3075 - Regulated Substance Response Fund	265	\$ 2,934,704	\$ 2,929,940	\$ 4,743,170	\$ 4,617,870	\$ 4,579,637
Co 3075 - Well Rehabilitation and Plugging Subfund	266	\$ 6,645	\$ 6,798	\$ 6,898	\$ 6,967	\$ 7,054
Co 3075 - Clean Water State Revolving Fund	267	\$ 29,866,094	\$ 35,225,300	\$ 6,063,073	\$ 12,698,415	\$ 12,114,896
Co 3075 - Drinking Water State Revolving Fund	269	\$ 11,003,553	\$ 5,929,132	\$ 5,533,837	\$ 9,179,865	\$ 8,856,576

Refer to the **Supplemental Information** and **Blue Book** Section for more information on these and other funds.

DENR Interagency Billings

Below are the sources of funds the Department of Environment and Natural Resources used to pay for services provided by central governmental bureaus (Bureau of Finance and Management, Bureau of Information and Telecommunications, Bureau of Administration, Bureau of Human Resources) in FY2016.

Bureau Name	General	Federal	Other	Total
Bureau of Information and Telecommunications	455,920	222,633	213,164	891,717
Bureau of Administration	284,388	341,143	203,138	828,669
Bureau of Finance and Management	6,862	36,251	32,209	75,321
Bureau of Human Resources	29,288	41,056	23,195	93,538
Total FY16 Interagency Payments	776,458	641,082	471,705	1,889,245

DENR Recent Budget History

General Fund Reversions from the General Appropriations Act:

FY2012: \$0

FY2013: \$0

FY2014: \$0

FY2015: \$0

FY2016: \$40,159

FINANCIAL AND TECHNICAL ASSISTANCE

The mission of the Division of Financial and Technical Assistance is to evaluate the natural resources of the state and to provide technical and financial assistance in a customer service-oriented manner for the protection, restoration, and development of those resources.

Budget Request

2010 Financial and Technical Assistance

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	2,428,280	2,557,306	2,557,306	2,557,306	0
Federal	2,089,263	2,315,115	2,315,115	2,315,115	0
Other	798,893	1,030,864	1,030,864	1,030,864	0
Total:	5,316,436	5,903,285	5,903,285	5,903,285	0
BY OBJECT EXPENDITURE					
Personnel Costs	4,169,841	4,633,266	4,633,266	4,633,266	0
Operating Expenditures	1,146,595	1,270,019	1,270,019	1,270,019	0
Total:	5,316,436	5,903,285	5,903,285	5,903,285	0
Full-Time Equivalents (FTE)	55.9	56.5	56.5	56.5	0.0

Request and Governor's Recommendation Summary

2010 Financial and Technical Assistance

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	56.5	2,484,667	5,746,384	56.5	2,484,667	5,746,384
Pool Distributions/Transfers	0.0	72,639	156,901	0.0	72,639	156,901
FY 2017 Estm. Expenditures	56.5	2,557,306	5,903,285	56.5	2,557,306	5,903,285
FY 2018 Base	56.5	2,557,306	5,903,285	56.5	2,557,306	5,903,285
FY 2018 Program Maintenance (MCO)	56.5	2,557,306	5,903,285	56.5	2,557,306	5,903,285
FY 2018 Total	56.5	2,557,306	5,903,285	56.5	2,557,306	5,903,285
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

2010 Financial and Technical Assistance

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	56.5	2,484,667	2,254,295	1,007,422	5,746,384
Pool Distributions/Transfers	0.0	72,639	60,820	23,442	156,901
FY 2017 Estm. Expenditures	56.5	2,557,306	2,315,115	1,030,864	5,903,285

FY 2018 Base					
Agency Request	56.5	2,557,306	2,315,115	1,030,864	5,903,285
<i>Governor's Rec.</i>	56.5	2,557,306	2,315,115	1,030,864	5,903,285

FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	56.5	2,557,306	2,315,115	1,030,864	5,903,285
<i>Governor's Rec.</i>	56.5	2,557,306	2,315,115	1,030,864	5,903,285

FY 2018 Total					
Agency Request	56.5	2,557,306	2,315,115	1,030,864	5,903,285
<i>Governor's Rec.</i>	56.5	2,557,306	2,315,115	1,030,864	5,903,285

Agency Request					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

Revenues and Performance Indicators

Revenues:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Sale of Publications/Maps	\$1,257	\$552	\$500	\$500
Selected Statistical Data:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Travel, Direct, Noncash, Receiving Vouchers, and Cash Receipts Processed	5,192	4,879	5,000	5,000
Requisitions/Travel Requests Processed	36/1,129	34/905	35/1,000	35/1,000
Contracts and Grants Monitored	325	291	300	300
Awards/Projects:				
Consolidated Program	\$19.8M/27	\$7.5M/17	\$10.5M/14	\$10.5M/14
Small Community Planning Grants	\$166K/20	\$181K/20	\$150K/15	\$150K/15
Solid Waste Projects	\$3.33M/15	\$1.96M/15	\$2.65M/15	\$2.65M/15
State Revolving Fund (SRF) Loans	\$84.6M/39	\$56.9M/38	\$75M/40	\$75M/40
State Water Resources Management System (SWRMS)	\$7M/1	\$3M/3	\$500K/1	\$500K/1
Nonpoint Source Awards/Projects	\$2.4M/6	\$2.5M/5	\$2.5M/6	\$2.5M/6
Water Quality Grants	\$1.05M/5	\$5.44M/8	\$1.2M/5	\$1.2M/5
Nonpoint Source Projects in Progress	13	11	10	12
TMDL Waterbodies Under Assessment	9	70	14	9
Statewide Lake Assessment Monitoring	32	63	15	35
State Water Plan Projects	57	48	55	55
Construction Inspections Conducted	117	77	100	100
Plans & Specs Reviewed	42	41	45	45
SRF Loans Reviewed/Monitored	39/455	38/490	40/500	40/520
Test-Hole Footage Drilled	8,875	10,616	10,000	10,000
Test Holes Drilled	75	59	80	80
Wells Installed	47	22	30	30
X-Ray Analyses Completed	56	45	75	75
Water Samples Collected for Chem. Analysis	97	195	81	123
Square Miles Mapped (1:100,000 scale)	1,050	1,797	1,400	1,500
Square Miles Mapped (1:24,000 scale)	364	150	200	200
Square Miles Mapped for Aquifer Studies	3,770	1,891	3,500	3,500
Projects and Publications Completed	10	11	10	10
Presentations Given to Public or Agencies	37	47	35	35
Drilling Weeks Accomplished	49.9	35.7	40	40
Number of test holes drilled	23	35	20	20
Number of feet drilled	3,873	6,107	3,000	3,000
Number of monitoring wells installed	14	21	15	15
Number of aquifer reports prepared	1	0	1	1

ENVIRONMENTAL SERVICES

The mission of the Division of Environmental Services is to provide the highest level of service as we work to protect the environment and public health through implementation of the state's environmental regulatory programs for the benefit of all South Dakota citizens.

Budget Request

2020 Environmental Services

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	4,031,780	4,069,353	4,069,353	4,069,353	0
Federal	5,509,923	6,180,142	6,018,142	6,018,142	(162,000)
Other	2,767,150	3,321,438	3,483,438	3,483,438	162,000
Total:	12,308,853	13,570,933	13,570,933	13,570,933	0
BY OBJECT EXPENDITURE					
Personnel Costs	9,275,383	9,969,125	9,969,125	9,969,125	0
Operating Expenditures	3,033,470	3,601,808	3,601,808	3,601,808	0
Total:	12,308,853	13,570,933	13,570,933	13,570,933	0
Full-Time Equivalents (FTE)	120.3	119.0	119.0	119.0	0.0

Request and Governor's Recommendation Summary

2020 Environmental Services

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	119.0	3,960,748	13,250,848	119.0	3,960,748	13,250,848
Pool Distributions/Transfers	0.0	108,605	320,085	0.0	108,605	320,085
FY 2017 Estm. Expenditures	119.0	4,069,353	13,570,933	119.0	4,069,353	13,570,933
FY 2018 Base	119.0	4,069,353	13,570,933	119.0	4,069,353	13,570,933
Personal Services Fund Shift	0.0	0	0	0.0	0	0
FY 2018 Program Maintenance (MCO)	119.0	4,069,353	13,570,933	119.0	4,069,353	13,570,933
FY 2018 Total	119.0	4,069,353	13,570,933	119.0	4,069,353	13,570,933
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

2020 Environmental Services

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	119.0	3,960,748	6,048,326	3,241,774	13,250,848
Pool Distributions/Transfers	0.0	108,605	131,816	79,664	320,085
FY 2017 Estm. Expenditures	119.0	4,069,353	6,180,142	3,321,438	13,570,933

FY 2018 Base					
Agency Request	119.0	4,069,353	6,180,142	3,321,438	13,570,933
Governor's Rec.	119.0	4,069,353	6,180,142	3,321,438	13,570,933

Personal Services Fund Shift

Budget Realignment: The Department requests a decrease of **(\$162,000)** in **federal fund** expenditure authority and a corresponding increase of **\$162,000** in **other fund** expenditure authority to align the budget with anticipated actual expenditures.

The Governor recommends the agency request.

Agency Request	0.0	0	(162,000)	162,000	0
Governor's Recommendation	0.0	0	(162,000)	162,000	0

FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	119.0	4,069,353	6,018,142	3,483,438	13,570,933
Governor's Rec.	119.0	4,069,353	6,018,142	3,483,438	13,570,933

FY 2018 Total					
Agency Request	119.0	4,069,353	6,018,142	3,483,438	13,570,933
Governor's Rec.	119.0	4,069,353	6,018,142	3,483,438	13,570,933

Agency Request					
Change from Original Approp.	0.0	0	(162,000)	162,000	0
% Change from Original Approp.	0.0%	0.0%	(2.6%)	4.9%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	(162,000)	162,000	0
% Change from Original Approp.	0.0%	0.0%	(2.6%)	4.9%	0.0%

Revenues and Performance Indicators

Revenues:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Mining/Oil and Gas Permit Fees	160,443	156,476	160,000	160,000
Licensing and Renewal of Asbestos Handlers	22,982	21,351	22,000	22,000
Water & Wastewater Operator Cert. Exams & Renewals	19,536	19,436	19,500	19,500
SARA Title III Fees	153,615	144,883	150,000	150,000
Air Quality Permit Fees	507,843	516,053	520,000	520,000
Solid Waste Permit Fees	3,561	12,263	12,500	7,500
Solid Waste Administration Fee	152,268	164,925	160,000	160,000
Surface Water Discharge Permit Fees	580,098	590,475	590,000	590,000
Feedlot Fees	90,827	91,078	92,275	92,495
Drinking Water System Fees	260,441	271,899	272,000	272,000
Oil and Gas Conservation Tax	270,320	183,930	183,930	183,930
Water Right Fees	199,781	109,735	124,250	124,500
<i>Total</i>	2,421,715	2,282,504	2,306,455	2,301,925

Selected Statistical Data:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Permitted Air Emission Sources	648	653	655	660
Ethanol Prod. Capacity from Plants with Air Quality Permits (millions of gallons)	1,300	1,330	1,350	1,350
Air Quality Monitoring Sites	14	13	13	13
Operating Air Quality Samplers	60	52	52	52
Total Continuous Air Quality Samples Collected	12,226	12,594	12,775	12,775
Air Quality Permits Issued	101	79	80	85
Air Quality Permits Contested	0	1	1	0
Stream Sites Sampled for Ambient Water Quality	146	153	155	155
Regulated Public Drinking Water Systems	636	635	636	637
Total Population Served by Public Water Systems	782,000	784,000	785,000	786,000
Hazardous Waste Generators	2,561	2,676	2,751	2,826
Permitted Solid Waste Disposal Sites	236	236	236	236
Total Sources Authorized Under General Industrial Storm Water Permits	1,002	1,008	1,012	1,015
Total Sources Authorized Under General Storm Water Construction Permit	1,775	1,807	1,800	1,800
Storm Water Inspections	117	91	100	100
Cumulative Spill Sites	10,657	10,924	11,174	11,424
Contaminated Sites Cleaned Up and Closed Out/ Percentage of Cumulative Spill Sites Closed Out	10,273/96%	10,543/97%	10,793/97%	11,043/97%
Total Water Right Permits	8,662	8,643	8,680	8,720
Cumulative Tanks Removed/Sites through the Abandoned Storage Tank Removal Project	4,521/3,294	4,597/3,356	4,672/3,416	4,747/3,476
Active Above-Ground Storage Tanks Regis.	3,560	3,671	3,671	3,671
Active Underground Storage Tanks Regis.	2,866	2,840	2,840	2,840
Spills and Releases Reported	268	267	250	250
Wastewater Point Sources Permitted	373	363	365	365
Active Gold and Other Mine Permits	52	50	56	59
Active Sand and Gravel Mine Sites Licensed	1,595	1,679	1,679	1,679
Total Regulated Underground Injection Wells	139	139	139	139
Producing Gas/Oil Wells	67/165	45/161 (Est.)	45/161	45/161

Selected Statistical Data (Continued):

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
# Public Water Supply Systems Provided Assistance with Source Water Assessment & Protection	69	61	61	61
Provide Source Water Protection Area Reports to New Public Water Supply Systems	8	8	8	8
Public Water Supply Systems with Source Water and Wellhead Measures in Place	71	71	71	71
Hydrogeologic Review of Facility Locations	467	413	410	410
Permitted and Nonpermitted Facilities Required to Monitor Groundwater Quality	63	133	134	136
Total Groundwater Discharge Permits	14	14	14	14
Groundwater Discharge Permits and Variances Amended, Renewed, or Issued	6	5	6	6
Storage Tank Closures Reported	145	136	136	136
Storage Tank Facility Inspections	745	666	700	700
Storage Tank Plans and Specifications Approved	57	79	70	70
Abandoned Tanks Removed/Sites	80/59	76/62	75/60	75/60
Spill and Release Site Closures	283	270	250	250
Site Assessment Reports Evaluated for Compliance with Federal Hazardous Waste Regulations	15	11	12	12
Brownsfields Assessments Completed	5	4	4	4
Brownfields Cleanup Project Completed	2	0	1	1
Interstate Pipelines Reviewed for Environmental Concerns	3	3	3	3
Workshops and Meetings Held to Maintain Effective Community Right-to-Know Activities About Hazardous Materials Stored or Used in Communities	8	7	7	7
Local Emergency Planning Cmtes Receiving Assistance	38	36	36	36
Large Manufacturing Facilities Reporting Chem Storage & Use for Federal SARA Title III Sec. 313 (TRI)	97	96	96	96
Facilities Reporting Chemical Storage & Use for Federal SARA Title III Sec. 312	1,684	1,736	1,736	1,736
Public Drinking Water Systems/Percent Compliance with Microbiological Standards	618/97%	612/96%	618/97%	618/97%
Public Drinking Water Systems/Percent Compliance with Chemical, Radiological, and Turbidity Standards	626/98%	624/98%	626/98%	626/98%
Public Drinking Water Systems/Percent Compliance with Microbiological Monitoring & Reporting Requirements	597/93%	599/94%	600/94%	600/94%
Public Drinking Water Systems Required to Add Fluoride	77	63	62	62
Public Drinking Water Systems with Fluoridation	0	24	25	25
Sanitary Surveys of Public Drinking Water Systems	197	187	188	190
Certified Drinking Water and Wastewater Operators	1,400	1,457	1,460	1,462
Plans & Specs Approved for Pub Drinking Water Systems	105	93	100	100
Compliance Rate for Consumer Confidence Reports	100%	99%	99%	99%
Number of Capacity Development Reviews	20	17	19	19
Percentage of Major Wastewater Facilities in Significant Compliance with State Requirements	90%	82%	100%	100%
Wastewater Point Source Permits	46	52	75	80
Contested Surface Water Discharge Permits	0	0	0	0
Contested Surface Water Discharge Permits Upheld	N/A	N/A	100%	100%
Drinking Water Systems Authorized to Discharge Under the General Water Pollution Control Permit	79	79	80	82
Municipal Separate Storm Sewer System (MS4s) Audits	2	0	2	2
Wastewater Permit File Evaluations	65	83	70	70
Wastewater Compliance Audits	134	116	70	70

Selected Statistical Data (Continued):

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Pretreatment Industrial Users Permitted	40	31	33	34
Biosolids Generators Permitted	26	25	26	26
Biosolids Generators Inspected	14	9	12	12
Industrial Pretreatment Inspections	29	32	33	34
Municipal Pretreatment Compliance Inspections	5	5	5	5
Municipal Pretreatment Audits	1	1	1	1
Environmental Reviews for Construction Projects	200	179	225	250
Review and Revise Surface Water Quality Standards	Yes	Yes	Yes	Yes
Water Resource Enhancement Approvals	0	0	2	3
Use Attainability Analyses of Streams	45	20	20	20
Recreational Use Assessment of Streams	35	40	40	40
Lake Acreage Supporting Uses	44%	19%	19%	25%
Stream Miles Supporting Uses	30%	21%	21%	30%
401 Water Quality Certifications	15	18	19	19
Septic System Plans Reviewed & Approved	192	175	178	178
On-Site Wastewater System Installer Certified	149	149	149	149
Total On-Site Wastewater System Installers Certified	699	745	700	700
Number of Improperly Installed Onsite Waste Water Systems by Certified Installers	5	5	5	5
Application Approvals for New, Expanding, and Modifications to Existing Animal Feeding Operations Under General Water Pollution Control Permit	150	165	180	195
Public Notice of New and Expanding Animal Feeding Operations Application	26	30	30	30
Total Animal Feeding Operations Permitted	417	428	438	448
Inspections of Newly Built Manure Mgmt. Systems	60	44	48	50
Operational Inspections of Permitted Animal Feeders	270	229	320	250
Animal Feeding Operations Subject to Permit Fee	444	455	465	475
Training and Ed Sessions for Operators of Animal Feeding Operations, Local Gov. Officials, & General Public	12	13	15	15
Attendees at Env Training for Livestock Producers	116	289	349	399
Feedlot Complaint Inspections	25	25	25	25
Revised Nutrient Management Plan Approvals	158	131	200	200
Manure Discharges to State Waters	1	1	1	1
CAFO Compliance Rate	99.80%	99.80%	99.80%	99.80%
Plans & Specifications Approvals for Wastewater Facilities	84	87	87	87
Addendum to Plans & Specifications for W.W. Facilities	5	1	5	5
Small Air Emission Sources Regulated by Rule	985	1,001	1,025	1,050
New and Construction Air Quality Permits Issued	87	107	110	120
Existing Air Quality Permits Renewed or Modified	71	42	50	50
Backlog of New or Modified Air Permits New or Expanding Industries	0	0	0	0
Ave. Number of Days to Issue New or Modified Air Permits	82	73	<90	<90
Total Number of General Air Quality Permits Issued	10	10	10	10
Facilities Permitted Under Air Quality General Permits	422	477	450	450
Air Quality Inspections	167	148	160	160
Compliance Rate of Air Quality Inspections	99%	99%	>95%	>95%
Monitor and Audit Performance Tests of Air Emissions and Review Results	35	39	45	45
Statewide Inventory of All Air Pollution Sources	1	1	1	1
Provide Technical Indoor Air and Radon Assistance	199	116	110	110
Provide Radon webpage with general information & EPA contact information	Yes	Yes	Yes	Yes

Selected Statistical Data (Continued):

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Total Air Quality Samples Collected (PM Manual)	1,290	1,153	1,153	1,153
Percentage of Air Quality Samples Meeting Federal Sampling Requirements (Manual)	98%	99%	>90%	>90%
Percentage of Air Quality Samples Meeting Federal Sampling Requirements (Continuous)	97%	97%	>90%	>90%
PM Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	4	14	0	0
Sulfur Dioxide Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	0	0	0	0
Nitrogen Oxide Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	0	0	0	0
Air Quality Nonattainment Areas	0	0	0	0
Number of Older Diesel Engines Replaced	3	4	4	9
Clean Diesel Grant Dollars Paid for Replacements	\$56,880	\$83,819	\$81,542	\$180,311
New Mine Licenses Issued for Sand and Gravel	19	18	18	18
Active Sand and Gravel Mine Licenses	525	519	519	519
Compliance Rate - Sand and Gravel Mine Licenses	97%	97%	97%	97%
Bond Held for Sand and Gravel Mine Licenses	\$2,895,893	\$3,230,815	\$3,230,000	\$3,230,000
Mined Acres Reclaimed During the Year Under Sand and Gravel Mine Licenses	780	974	974	974
Acres in Compliance - Sand & Gravel Mine Licenses	21,149	21,716	21,700	21,700
Tons of Sand, Gravel, and Rock Produced	22,578,271	20,115,780	20,115,000	20,115,000
Inspections Conducted - Sand & Gravel Mine Licenses	277	236	236	236
Licensed Mine Sites Reclaimed/Released of Liability	95	86	90	90
Licensed Mine Sites - Reclamation Bond Forfeited	0	0	35	9
New Exploration Notices of Intent Issued	0	0	1	2
Exploration Notices of Intent Closed	1	0	2	2
Active Exploration Notices of Intent	36	36	35	35
Exp. Notices of Intent - Reclamation Bond Forfeited	0	0	0	0
Bond Held for Exploration Reclamation	\$119,750	\$119,750	\$112,650	\$120,050
Inspections Conducted - Exploration	21	12	15	15
Contested Gold & Other Mine Permits Req. Hearing	0	0	0	1
Gold & Other Mine Sites-Reclamation Bond Forfeited	0	0	0	0
Contested Gold and Other Mine Permits Upheld	0	0	0	1
Uncontested Gold & Other Mines Permits Approved	1	0	6	2
Total Gold and Other Mine Permits Issued	1	0	6	3
Gold & Other Mine Sites Reclaimed/Released of Liability	0	2	0	0
Mine Permit Amendments Issued	0	0	1	1
Technical Revisions to Mine Permits Issued	10	6	5	5
Bond Held for Mine Permits	\$141,778,480	\$150,159,082	\$149,655,540	\$149,691,926
Spill Bonds Held for Mine Permits	\$597,800	\$612,400	\$630,800	\$649,800
Mined Acres Reclaimed During the Year - Mine Permits	83	110	169	130
Acres in Compliance - Mine Permits	3,619	3,425	3,460	3,558
Compliance Rate for Acres Mined Under Gold and Other Mine Permits	93%	93%	93%	93%
Gold Mine Environmental Audits	3	3	3	3
Inspections Conducted - Mine Permits	272	272	270	270
Ounces of Gold Produced - Calendar Year	72,095	89,496	90,000	90,000
Value of Gold Produced - Calendar Year	\$90,407,130	\$103,820,730	\$112,500,000	\$112,500,000

Selected Statistical Data (Continued):

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
New Drilling Permits Issued for Oil and Gas	12	4	4	4
Avg Number of Days to Issue Oil & Gas Drilling Permit	10	8	<14	<14
Gas Fields	3	3	3	3
Oil Fields	29	29	29	29
Estimated Value of Gas/Oil Produced	\$110,183,000	\$52,693,000	\$49,242,000	\$49,242,000
Oil Produced (Thousands of 42 gallon barrels)	1,816 (Est.)	1,527 (Est.)	1,427	1,427
Marketed Gas Produced (Millions of Cubic Feet)	329 (Est.)	276 (Est.)	276	276
Oil and Gas Wells Plugged	7	0	7	7
Oil and Gas Sites Reclaimed and Released	1	1	2	2
Oil and Gas Sites Reclamation Bond Forfeited	0	0	1	0
Bond Held for Oil and Gas Wells	\$1,371,000	\$1,341,000	\$1,281,000	\$1,281,000
Inspections Conducted - Oil and Gas	323	468	323	323
Oil and Gas Cases Requiring Board Hearing	0	0	1	1
Contested Oil and Gas Cases Upheld	0	0	1	1
Uncontested Oil & Gas Cases Approved by Secretary	7	2	2	2
Notices of Recommendation Issued for Oil & Gas	0	0	1	1
Total Mine Sites Reclaimed	96	89	92	92
Reclamation Liability Released	100%	100%	72%	91%
Hazardous Waste Generator Inspections	86	68	75	75
Compliance Rate of Hazardous Waste Generators Inspected	98%	91%	98%	98%
Percent of Hazardous Waste Generators Returned to Compliance within Required Time Frame	100%	100%	100%	100%
Hazardous Waste Generator Determination Inspect.	26	23	25	25
Follow-Up to Citizen Complaints About Hazardous Waste	13	16	15	15
Notification of Hazardous Waste Activity Processed	91	96	95	95
Hazardous Waste Transport Document Corrections	10	2	5	5
Number of Hazardous Waste Generators Assisted in Completing Biennial Hazardous Waste Reports	NA	43	NA	40
Educational Institutions and Businesses Assisted on Proper Disposal of Wastes	36	103	65	65
Disseminate Hazardous Waste Minimization Information	75	80	75	75
Permitted Hazardous Waste Sites	2	2	2	2
Hazardous Waste Permit Modifications	4	2	3	3
Amendments Made to Hazardous Waste Rules to Comply with Federal Regulations	No	No	Yes	No
Submit Annual Hazardous Waste Authorization Applicatio	Yes	No	No	No
Certified Asbestos Workers	374	342	370	370
Conduct Audit of Asbestos Abatement Training Courses	4	4	4	4
Asbestos Notifications Processed	211	232	235	235
Asbestos Inspections	35	33	35	35
Compliance Rate of Asbestos Facilities Inspected	77%	82%	85%	85%
Provide Technical Assistance on Asbestos	511	517	520	520

Selected Statistical Data (Continued):

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Total General Permits for Solid Waste	8	8	8	8
Solid Waste Permits Issued/Renewed:				
Type I (>150,000 Tons/Year)	2	0	1	1
Type II, III (Between 500 and 150,000 Tons/Year)	9	14	20	10
Type IV (Less than 500 Tons/Year)	15	13	20	10
General Permit Authorizations	5	24	19	18
Solid Waste Plans and Specifications Approvals	7	5	6	6
Solid Waste Facilities Closed	9	2	3	3
Solid Waste Facility Inspections:		3	6	6
Type I (>150,000 Tons/Year)	6	61	63	63
Type II, III (Between 500 and 150,000 Tons/Year)	64	45	45	45
Type IV (less than 500 tons/year)	46	59	59	59
Other (General)	61			
Compliance Rate for Solid Waste Inspections	91%	95%	95%	95%
Solid Waste Complaints Investigated	30	42	40	40
New Water Right Permits Issued	125	101	110	110
Water Right Permit Cancellations	44	47	50	50
Deferred Water Right Applications	23	21	20	20
Water Right Permit Investigations	137	250	270	300
Water Right Licenses Issued	140	199	225	250
Water Right Complaint Investigations	19	18	20	20
Daily Stream Flow Measuring Stations	50	48	48	48
Water Well Drillers Licensed	145	149	150	150
Well Pump Installers Licensed	35	38	40	40
Inspections of State-Owned & High Hazard Dams	63	59	70	70
Total Number of Water Right Observation Wells	1,556	1,580	1,590	1,590
Observation Well Measurements	11,882	13,067	12,250	12,500
Observation Wells Repaired or Developed	225	305	310	310
Dry Draw Location Notices Recorded	36	39	40	40
Reported Surface Water Use for Irrigation (Acre-Feet -- Calendar Year)	74,731	76,144	77,000	80,000
Reported Groundwater Use for Irrigation (Acre-Feet -- Calendar Year)	158,292	158,029	175,000	200,000
Irrigation Questionnaires Mailed	3,813	3,834	3,945	4,015
Irrigation Questionnaire Violation Suspensions	0	6	5	5
Lake Level Measurements	302	302	302	302
Data Recorders for Measuring Water Levels in Observation Wells	35	17	17	17
Temporary Water Permits Issued	137	177	175	180
Transfer of Water Right Permit	146	126	130	140
Held Applications for Fully Appropriated Aquifers	42	42	42	42
Fully Appropriated Aquifers 5 Year Reviews	0	2	2	2
Contested Permit Applications Upheld by the Water Management Board & the Courts Outbreak Exemption	100%	100%	100%	100%

REGULATED RESPONSE FUND - INFORMATIONAL

The mission of the Regulated Response Fund is to provide for the cleanup of regulated substances during emergencies or when necessary to protect the public health, safety, welfare, or the environment of the state.

The Regulated Substance Response Fund was created by the 1988 Legislature to deal with environmental cleanups and is funded by penalties collected from environmental violations and investment interest. A one-time appropriation of \$350,000 from the Petroleum Release Compensation Fund was approved when the fund was created.

Budget Request

2040 Regulated Response Fund - Info

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	0	0	0	0	0
Federal	0	0	0	0	0
Other	220,612	1,750,002	1,750,002	1,750,002	0
Total:	220,612	1,750,002	1,750,002	1,750,002	0
BY OBJECT EXPENDITURE					
Personnel Costs	0	0	0	0	0
Operating Expenditures	220,612	1,750,002	1,750,002	1,750,002	0
Total:	220,612	1,750,002	1,750,002	1,750,002	0
Full-Time Equivalents (FTE)	0.0	0.0	0.0	0.0	0.0

Request and Governor's Recommendation Summary

2040 Regulated Response Fund - Info

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	0.0	0	1,750,002	0.0	0	1,750,002
Pool Distributions/Transfers	0.0	0	0	0.0	0	0
FY 2017 Estm. Expenditures	0.0	0	1,750,002	0.0	0	1,750,002
FY 2018 Base	0.0	0	1,750,002	0.0	0	1,750,002
FY 2018 Program Maintenance (MCO)	0.0	0	1,750,002	0.0	0	1,750,002
FY 2018 Total	0.0	0	1,750,002	0.0	0	1,750,002
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

040 Regulated Response Fund – Info

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	0.0			1,750,002	1,750,002
Pool Distributions/Transfers	0.0	0	0	0	0
FY 2017 Estm. Expenditures	0.0	0	0	1,750,002	1,750,002

FY 2018 Base					
Agency Request	0.0	0	0	1,750,002	1,750,002
Governor's Rec.	0.0	0	0	1,750,002	1,750,002

FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	0.0	0	0	1,750,002	1,750,002
Governor's Rec.	0.0	0	0	1,750,002	1,750,002

FY 2018 Total					
Agency Request	0.0	0	0	1,750,002	1,750,002
Governor's Rec.	0.0	0	0	1,750,002	1,750,002

Agency Request					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

The ending balance in the fund on 6/30/16 was \$4,579,637

Revenues and Performance Indicators

Revenues:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Penalties and Reimbursements	74,850	127,499	72,446	72,446
Investment Council Interest	31,173	54,880	55,000	55,000
<i>Total</i>	106,023	182,379	127,446	127,446

Selected Statistical Data:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Brohm Match	\$234,972	\$101,521	0	0
Estelline Moberg/Petersen	\$9,286	\$0	0	0
Sioux Falls PCE Investigation	\$10,780	\$51,676	0	0
Delmont Atrazine Release	\$0	\$18,180	0	0
Lesterville PCE	\$0	\$1,003	0	0
Kadoka Fresh Start	\$0	\$30,256	0	0
Lust Trust Subaccount Expenditures				
Gregory Flower Garden	\$0	\$2,845	0	0
Hill City Dieterle	\$0	\$14,855	0	0
Budgeted Capacity to Match EPA Superfund Expenditures at Brohm and Respond to Other Cleanups			\$1,750,002	\$1,750,002

LIVESTOCK CLEANUP FUND - INFORMATIONAL

The mission of the Livestock Cleanup Fund is to provide for the cleanup of discharges or spills from animal feeding operations during emergencies, or when necessary to protect the public health, safety, welfare, or the environment of the state.

The Livestock Cleanup Fund was created by the 1998 Legislature to deal with discharges and spills from animal feeding operations and is funded by penalties collected from animal feeding operations for environmental violations and investment interest. A one-time appropriation of \$750,000 from the State General Fund was approved when the fund was created.

Budget Request

2050 Livestock Cleanup Fund - Info

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	0	0	0	0	0
Federal	0	0	0	0	0
Other	0	765,000	765,000	765,000	0
Total:	0	765,000	765,000	765,000	0
BY OBJECT EXPENDITURE					
Personnel Costs	0	0	0	0	0
Operating Expenditures	0	765,000	765,000	765,000	0
Total:	0	765,000	765,000	765,000	0
Full-Time Equivalents (FTE)	0.0	0.0	0.0	0.0	0.0

Request and Governor's Recommendation Summary

2050 Livestock Cleanup Fund - Info

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	0.0	0	765,000	0.0	0	765,000
Pool Distributions/Transfers	0.0	0	0	0.0	0	0
FY 2017 Estm. Expenditures	0.0	0	765,000	0.0	0	765,000
FY 2018 Base	0.0	0	765,000	0.0	0	765,000
FY 2018 Program Maintenance (MCO)	0.0	0	765,000	0.0	0	765,000
FY 2018 Total	0.0	0	765,000	0.0	0	765,000
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

2050 Livestock Cleanup Fund – Info

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	0.0			765,000	765,000
Pool Distributions/Transfers	0.0	0	0	0	0
FY 2017 Estm. Expenditures	0.0	0	0	765,000	765,000
FY 2018 Base					
Agency Request	0.0	0	0	765,000	765,000
Governor's Rec.	0.0	0	0	765,000	765,000
FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	0.0	0	0	765,000	765,000
Governor's Rec.	0.0	0	0	765,000	765,000
FY 2018 Total					
Agency Request	0.0	0	0	765,000	765,000
Governor's Rec.	0.0	0	0	765,000	765,000
Agency Request					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

The ending balance in the fund on 6/30/16 was \$1,329,525

Revenues and Performance Indicators

Revenues:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Investment Council Interest	12,232	16,002	16,000	16,000
Penalties and Reimbursements	30,753	20,241	22,358	22,358
<i>Total</i>	42,985	36,243	38,358	38,358
Selected Statistical Data:	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Environmental Cleanups Funded	0	0	0	0
Redfield Livestock Auction	0	0	0	0
Wagner Livestock Yard	0	0	0	0
Budgeted Capacity to Respond to Cleanups			765,000	765,000

PETROLEUM RELEASE COMPENSATION

The mission of Petroleum Release Compensation is to assist in the cleanup of certain petroleum releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to administer the Abandoned Tank Removal Program; and to make payments for tank pulling and corrective action at abandoned sites.

Budget Request

2061 Petroleum Release Compensation

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	0	0	0	0	0
Federal	0	0	0	0	0
Other	435,374	483,647	483,647	483,647	0
Total:	435,374	483,647	483,647	483,647	0
BY OBJECT EXPENDITURE					
Personnel Costs	367,091	413,256	413,256	413,256	0
Operating Expenditures	68,283	70,391	70,391	70,391	0
Total:	435,374	483,647	483,647	483,647	0
Full-Time Equivalents (FTE)	5.0	5.0	5.0	5.0	0.0

Request and Governor's Recommendation Summary

2061 Petroleum Release Compensation

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	5.0	0	472,420	5.0	0	472,420
Pool Distributions/Transfers	0.0	0	11,227	0.0	0	11,227
FY 2017 Estm. Expenditures	5.0	0	483,647	5.0	0	483,647
FY 2018 Base	5.0	0	483,647	5.0	0	483,647
FY 2018 Program Maintenance (MCO)	5.0	0	483,647	5.0	0	483,647
FY 2018 Total	5.0	0	483,647	5.0	0	483,647
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

2061 Petroleum Release Compensation

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	5.0			472,420	472,420
Pool Distributions/Transfers	0.0	0	0	11,227	11,227
FY 2017 Estm. Expenditures	5.0	0	0	483,647	483,647

FY 2018 Base

Agency Request	5.0	0	0	483,647	483,647
Governor's Rec.	5.0	0	0	483,647	483,647

FY 2018 Maintenance of Current Operations (MCO)

Agency Request	5.0	0	0	483,647	483,647
Governor's Rec.	5.0	0	0	483,647	483,647

FY 2018 Total

Agency Request	5.0	0	0	483,647	483,647
Governor's Rec.	5.0	0	0	483,647	483,647

Agency Request					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

Revenues and Performance Indicators

Revenues:

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Petroleum Tank Inspection Fee	1,833,586	1,830,388	1,800,000	1,800,000
Interest	56,017	61,042	68,575	35,000
<i>Total</i>	1,889,603	1,891,430	1,868,575	1,835,000

Selected Statistical Data:

	ACTUAL FY15	ACTUAL FY16	ESTIMATE FY17	ESTIMATE FY18
Petroleum Release Program:				
Cases Initiated	60	55	50	50
Claims Processed and Amount Paid	19/\$214,367	21/\$240,332	25/\$600,000	25/\$350,000
Abandoned Tank Program:				
Abandoned Tank Sites Initiated	62	57	60	60
Abandoned Tank Sites Completed	60	62	60	60
Tank Removed at Abandoned Tank Sites	80	76	75	75
Claims Processed/Amounts Paid	138/\$400,721	134/\$359,189	135/\$350,000	135/\$350,000
Responsible Parties Reimbursed	85	80	80	80
Public Presentations	3	0	2	2
Review Contracts and Corrective Action Plans	57	36	50	50
Board Meetings	2	2	2	2
Annual Insurance Meeting	Yes	Yes	Yes	Yes
Annual Report to Governor & Legislature	Yes	Yes	Yes	Yes
Claims Closed	119	132	100	100
Cost Recovery Action	Yes	Yes	Yes	Yes

Petroleum Release Compensation - Informational

The mission of Petroleum Release Compensation – Informational is to provide financial assistance in the cleanup of certain petroleum releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to report to the Governor and Legislature; to administer the Abandoned Tank Removal Program; and to make payments for tank pulling and corrective action at abandoned sites.

The Petroleum Release Compensation Fund (PRCF) was created by the 1988 Legislature to prevent and clean up petroleum releases. The PRCF is a state-operated program that can financially assist petroleum tank owners with the cleanup of petroleum releases. Funding is from a portion of the Tank Inspection Fee and interest income.

Budget Request

2062 Petroleum Release Compensation - Info

	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec	Δ From FY 2017
BY FUND CATEGORY					
General	0	0	0	0	0
Federal	0	0	0	0	0
Other	692,575	2,100,000	2,100,000	2,100,000	0
Total:	692,575	2,100,000	2,100,000	2,100,000	0
BY OBJECT EXPENDITURE					
Personnel Costs	0	0	0	0	0
Operating Expenditures	692,575	2,100,000	2,100,000	2,100,000	0
Total:	692,575	2,100,000	2,100,000	2,100,000	0
Full-Time Equivalents (FTE)	0.0	0.0	0.0	0.0	0.0

Request and Governor's Recommendation Summary

2062 Petroleum Release Compensation - Info

Decision Unit	Agency Request			Governor's Recommendation		
	FTE	General	Total	FTE	General	Total
FY 2017 Original Appropriation	0.0	0	2,100,000	0.0	0	2,100,000
Pool Distributions/Transfers	0.0	0	0	0.0	0	0
FY 2017 Estm. Expenditures	0.0	0	2,100,000	0.0	0	2,100,000
FY 2018 Base	0.0	0	2,100,000	0.0	0	2,100,000
FY 2018 Program Maintenance (MCO)	0.0	0	2,100,000	0.0	0	2,100,000
FY 2018 Total	0.0	0	2,100,000	0.0	0	2,100,000
Change from Original Appropriation	0.0	0	0	0.0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Budget by Decision Unit

2062 Petroleum Release Compensation - Info

Budget by Decision Unit	FTE	General	Federal	Other	Total
FY 2017 GBill Appropriation	0.0			2,100,000	2,100,000
Pool Distributions/Transfers	0.0	0	0	0	0
FY 2017 Estm. Expenditures	0.0	0	0	2,100,000	2,100,000

FY 2018 Base					
Agency Request	0.0	0	0	2,100,000	2,100,000
Governor's Rec.	0.0	0	0	2,100,000	2,100,000

FY 2018 Maintenance of Current Operations (MCO)					
Agency Request	0.0	0	0	2,100,000	2,100,000
Governor's Rec.	0.0	0	0	2,100,000	2,100,000

FY 2018 Total					
Agency Request	0.0	0	0	2,100,000	2,100,000
Governor's Rec.	0.0	0	0	2,100,000	2,100,000

Agency Request					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Approp.	0.0	0	0	0	0
% Change from Original Approp.	0.0%	0.0%	0.0%	0.0%	0.0%

The ending balance in the fund on 6/30/16 was \$2,054,582

Status of BIT's 37 FoxPro Database Conversion Project for DENR

- DENR kept up with increased workloads largely by DENR staff building, maintaining, and using 37 FoxPro databases to manage work, track records, and provide automated customer services.
- To convert the FoxPro databases faster and include Geographic Information System (GIS) applications to provide on-line access to our customers, the 2015 and 2016 Legislatures helped by approving a \$350,000 and \$175,000 appropriation, respectively, requested by Governor Dugaard.
- With \$117,718.50 of the \$175,000 remaining, BIT's current status is below:



Completed in previous years

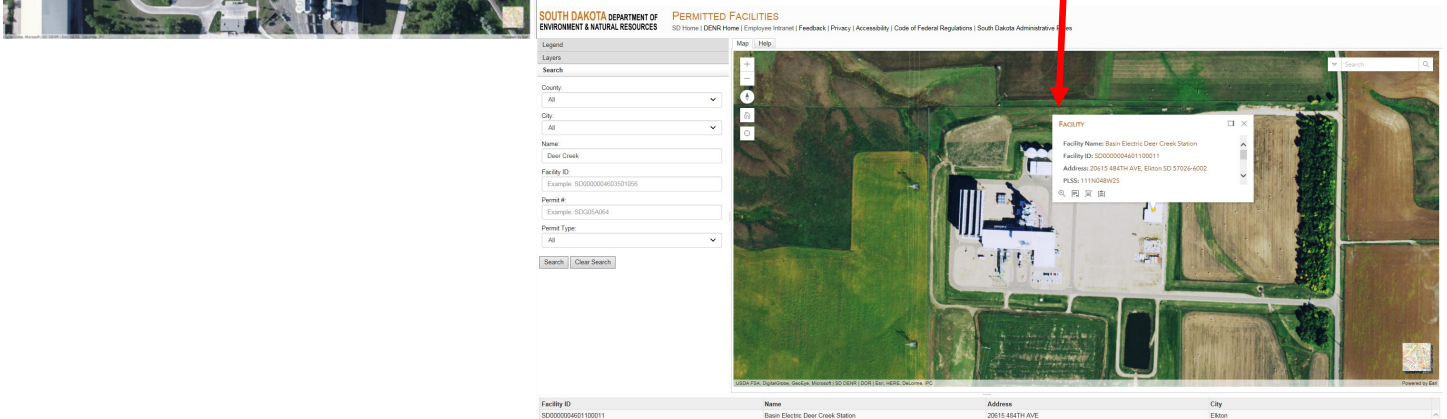
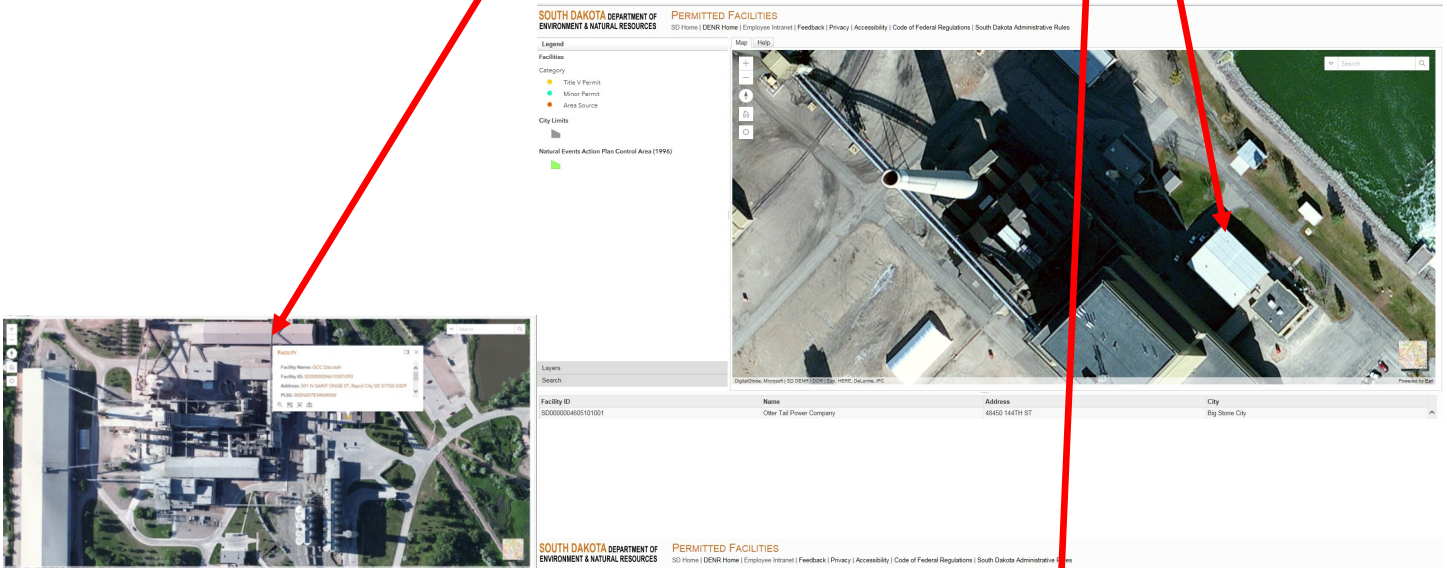
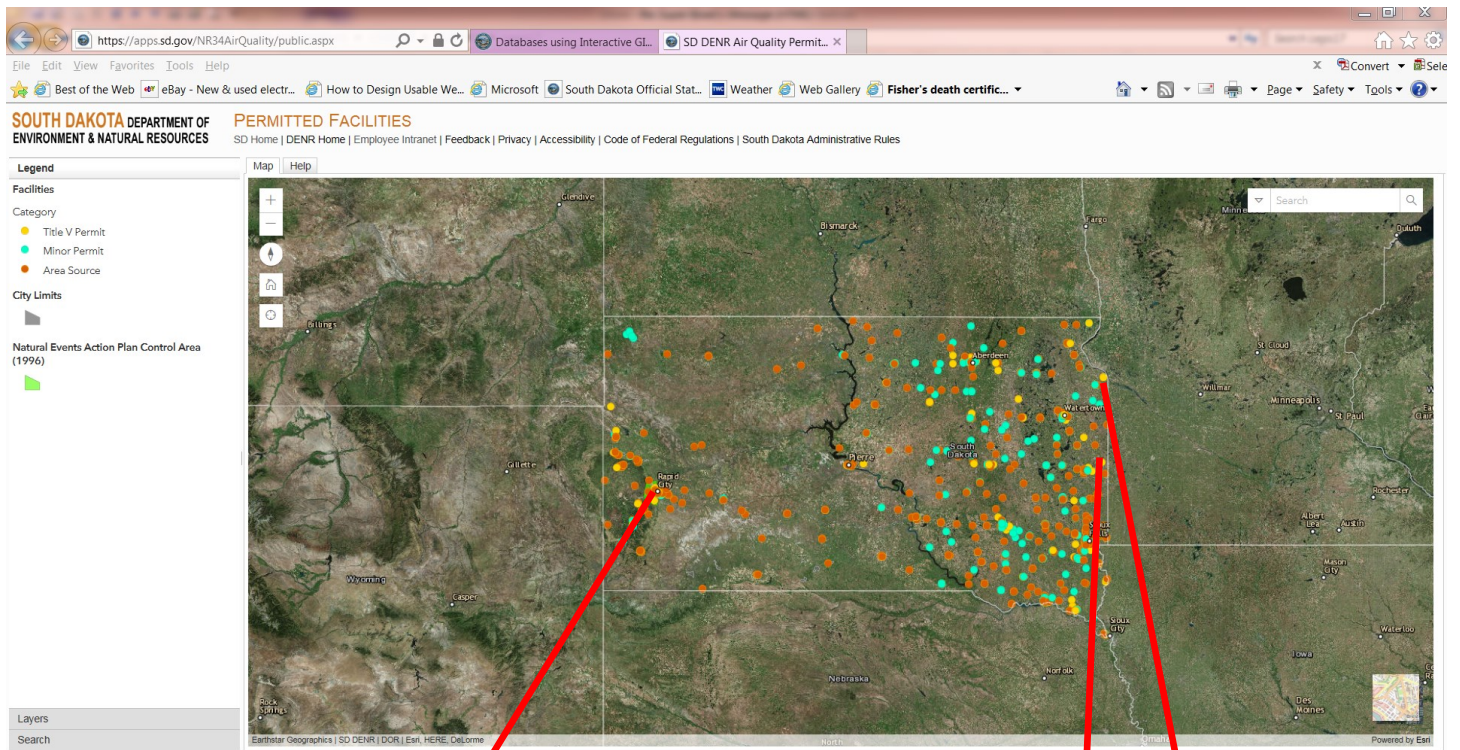
To be completed this year

Currently in progress

Database Name/Description	Data- base	Database Name/Description
1. Air database - track air pollutants, air permits, fees, models	14. EXNI - tracks mineral exploration and mine permits	26. Drillers - lists and tracks well drillers licensed in SD
2. Environmental Fees - wastewater, water, air, solid waste	15. Air - tracks permitted asphalt plants and nonmetallic mineral processing plants	27. Pump Installers - lists and tracks pump installers licensed in SD
3. New Well - track water quality samples from new domestic wells	16. Wells - tracks permitted oil, gas and injections wells	28. Iquest - generates and tracks annual irrigation water use reports
4. Operator Certification - water and wastewater operators, hours, and tests	17. Feedlots - tracks permitted concentrated animal feeding operations	29. Lakeinfo - lake data to include id, name, legal, high & low water marks
5. SYSNames - track regulated public drinking water systems & water quality	18. Storm Water Database - tracks permits from construction and industrial	30. Lakelev1 - tables of water levels measured semi-annually in lakes
6. Project Management - track plans for water, wastewater, waste	19. Surface Water Discharge Database - tracks permits/feeds ICIS	31. Logs - well construction data to include legal, depth, log, and driller
7. Source Water Assessments - source water areas and pollution sources	20. Temporary Dewatering Database - tracks approved dewatering operations	32. Obs94a - water right observation wells to include legal, yield, and depth
8. Environmental Events Database - Internet spill tracking	21. Recycling Database - inventory of all recycling facilities in state	33. Snatdam2 - state Safety of Dams inventory to include legal, owner, size
9. TANK DATABASE - tracks regulated storage tanks	22. Hazardous Waste Database - tracks hazardous waste generators	34. Wlevel - observation well measurements
10. Tier II & TRI - SARA chemical storage reports and toxic releases	23. Asbestos Database - certification data from workers and demolition notices	35. Wpapp - tracks new applications for water right permits
11. Ground Water Monitoring - data from facilities on shallow aquifers	24. Solid Waste Database - tracks permitted solid waste disposal sites	36. Winfo - series of water right tables and water use data
12. H2O - non-irrigation water rights reporting	25. Location Notice - dam/dugout notices	37. Lookup Tables - tables to replace abbreviations in reports and Caspio
13. ConAgg - tracks licensed construction aggregate mines		



37 FoxPro Database Conversion Project - Over 1,400 Regulated Air Facilities



DENR's LEGISLATIVE AGENDA FOR 2017

- Governor Dugaard's 2017 Water and Environment Funding Bill, also known as the Governor's Annual Omnibus Water Funding Bill
 - a. No general funds in the bill
 - b. Again provides financial assistance to drinking water, wastewater, and waste management projects
 - c. Consolidated Program is the focus this year to help fund water and wastewater systems needed to protect human health and the environment while keeping services affordable
- SB 46—An Act to revise certain provisions regarding the State Geologist

SUMMARY RECAP OF DENR'S FY 2018 BUDGET REQUEST

- Status Quo Budget Request
 - a. DENR is requesting **NO** expansion in FTEs
 - b. DENR is requesting **NO** expansion in personal services
 - c. DENR is requesting **NO** expansion in operating
- DENR will continue to manage its existing resources to get the job done